

AMENDED IN SENATE MAY 6, 2008
AMENDED IN ASSEMBLY JANUARY 24, 2008
CALIFORNIA LEGISLATURE—2007–08 REGULAR SESSION

ASSEMBLY BILL

No. 439

Introduced by Assembly Member Ma

February 16, 2007

An act to amend Section 5008 of the Penal Code, relating to prisoners.

LEGISLATIVE COUNSEL'S DIGEST

AB 439, as amended, Ma. Inmates: funds.

Existing law requires the Secretary of the Department of Corrections and Rehabilitation to deposit any inmate funds in his or her possession in trust with the Treasurer. However, upon written authorization by an inmate, and subject to the approval of the Department of Finance, the secretary may deposit those funds in interest-bearing accounts or invest or reinvest the funds in any of specified securities and for the purposes of deposit or investment may only mingle the funds of any inmate with the funds of other inmates.

This bill would delete the above requirement that an inmate give specific authorization for, *and that the Department of Finance give approval for*, any deposit, investment, or reinvestment of those funds. *The bill would also require the secretary to deposit those funds in interest-bearing accounts or invest or reinvest the funds in any of specified securities.*

Existing law also requires the Secretary of the Department of Corrections and Rehabilitation to deposit the interest or increment accruing on those funds in the Inmate Welfare Fund and to deposit the

interest or increment accruing on the funds of a parolee in his or her account.

This bill would delete the above provisions. The bill would instead specify that any interest or increment accruing on those funds, less expenses incurred in the investment, would be deposited in individual inmate or parolee trust accounts on a proportional basis depending on the amount of funds each individual inmate or parolee account has on deposit. The bill would also make technical, nonsubstantive changes to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 5008 of the Penal Code is amended to
2 read:
3 5008. The Secretary of the Department of Corrections and
4 Rehabilitation shall deposit any funds of inmates in his or her
5 possession in trust with the Treasurer pursuant to Section 16305.3
6 of the Government Code. However, the Secretary of the
7 Department of Corrections and Rehabilitation, ~~subject to the~~
8 ~~approval of the Department of Finance,~~ *may shall* deposit those
9 funds of inmates in interest-bearing bank accounts or invest or
10 reinvest the funds in any of the securities that are described in
11 Article 1 (commencing with Section 16430) of Chapter 3 of Part
12 2 of Division 4 of Title 2 of the Government Code and for the
13 purposes of deposit or investment only may mingle the funds of
14 any inmate with the funds of other inmates. Any interest or
15 increment accruing on those funds, less expenses incurred in the
16 investment, shall be deposited in individual inmate or parolee trust
17 accounts on a proportional basis depending upon the amount of
18 funds each individual inmate or parolee account has on deposit.

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